

Executive Committee Meeting Minutes – Monday, March 8, 2004

Chairman Dwyer called the meeting to order at 8:30 a.m. and led the committee in the Pledge of Allegiance.

Present: Chairman James Dwyer, County Board Supervisors Patricia Haukohl, Kenneth Herro, Walter Kolb, Richard Manke, Duane Paulson and Duane Stamsta. Supervisor Herro arrived at 8:57 a.m.

Staff Present: Chief of Staff Lee Esler, Legislative Policy Advisor Dave Krahn, Legislative Policy Advisor Mark Mader, Office Services Coordinator Windy Jicha.

Also Present: County Treasurer Pam Reeves, Director of Public Works Rich Bolte, Director of Parks and Land Use Dale Shaver, Supervisor Hank Carlson, Principal Assistant Corporation Counsel Steve Schmitz, Environmental Health Manager George Morris, UW-Waukesha Dean Brad Stewart, Budget Specialist Linda Witkowski, Tom Petersen of Harwood Engineering, Mike Reamer from UW-Waukesha.

Preliminary Discussion of Changes to Waukesha County Code Pertaining to Sale of Tax Deeded Property at Appraised Value

Reeves discussed a handout that was distributed to the committee members prior to the meeting. She said the last page of handout is the 2003 Wisconsin Act 123. This act makes it possible for Waukesha County to make changes to how the county handles the sale of tax-deeded property. Properties can be sold for any amount that the committee decides upon. This procedure is for the sale of county-owned property taken in instances of tax foreclosures. This would allow the county to sell property for what is owed in taxes or less. These are properties that the owners do not pay the taxes on and the county takes title on it. The current process is that once the county takes title, we get a certified appraisal. Then there is an auction to sell the property. The auction is listed in the newspaper three times and the neighbors are notified. Properties not sold at auction are put on a list of county-owned properties and can never be sold for less than the appraised value. The proposed change in the code would allow the county to sell the property for less than the appraised value. It costs \$150 for an appraisal. Some of the lands the county takes ownership of is worth \$500 to \$1000 and could be remnants without road access for even less value. The appraiser usually tries to err on the low side with the intent that the property will be sold.

Reeves said with this new law, we would have more flexibility and be able to tighten up our system. Page two of the handout outlines the proposed new procedures. Reeves read through the new procedures and the advantages. The new procedure would allow for cost savings due to having fewer certified appraisals performed. Properties that are of remnant value to only adjoining property owners can be minimally priced by committee and sold to neighbors to be put back on the tax roll. There would be timesavings because the committee would not have to consider every offer to purchase. Only offers for at least the advertised sale value would be considered. Reeves said the committee needs to decide which county board committee will be designated to consider these issues. The committee also needs to decide the dollar threshold used to determine whether a certified appraisal or committee designates the sale value.

Dwyer said we are looking at a drafting of an ordinance to allow this change to the county code. Reeves said we need to tweak the ordinance to allow the committee to set values on properties.

Supervisor Herro arrived at 8:57 a.m.

Reeves said the point of this is to put properties back on the tax roles.

Herro said it is really hard to determine what some properties are worth. Some properties are worth more to the neighbors than anyone else. The neighbor is more enriched than a realtor who needs to sell a property that can't be built on. Are any of the remnants buildable? Reeves said she considers a remnant something that is landlocked and perhaps big enough to build a patio on. These properties are usually scraps of land or ditches. She wants remnants to have the low prices at the beginning.

Haukohl recommended a minimum threshold of \$3,000 and review done by the Executive Committee.

Stamsta said he would prefer \$5,000 for the minimum value. Reeves said the higher you set the minimum the more money we will save on appraisals and the more flexibility we will have. Dwyer said \$5,000 makes it easier and if this amount doesn't work, it can be amended after the first year.

Stamsta asked what is the average tax loss? Reeves said it would amount to four years of taxes. Sometimes foreclosing on the property cost more than the loss in tax and sometimes the cost to take it exceeds the value of the property or the taxes. Stamsta said we should try to recoup our costs.

The committee came to consensus on the amount of \$5,000 for the dollar threshold in determining whether certified appraisal or committee designates sale value and to allow the Executive Committee to be the county board committee designated to review the list of tax-deeded properties.

Discuss and Consider Ordinance 158-O-144: Transfer Funds for UWW Switch/Transformer/Cable Replacement

MOTION: Manke moved, Stamsta second, to approve Ordinance 158-O-144: Transfer Funds for UWW Switch/Transformer/Cable Replacement.

Bolte said the UWW Switch/Transformer Cable replacement capital project was designed to replace dangerous, obsolete equipment that is more than 30 years old. \$420,000 was budgeted for the construction phase of this project. Seven contractors bid on the project with the lowest bid being \$562,360. This bid exceeds the available project funds by \$173,560. Public Works Department staff indicate the need for additional funding is due to an unfavorable bidding climate for this type of work and overly optimistic cost estimates prepared by the hired engineering consultant that performed the budget and concept report for this project. Capital project 9705, UWW Southview Hall Renovation, has been completed with a project balance of \$304,966 remaining. This ordinance will transfer funds in the sum of \$190,000 from Project 9705 UWW Southview Hall to Project 200318, UWW Switch/Transformer/Cable Replacement, to cover the increased project cost plus 8% contingency.

Kolb wondered if something is just now slipping out about this project because it is so far off the estimate. Bolte said this isn't an upgrade. We need to finish the electrical work before we can go on with the Northview Project. Bolte said the estimates were based on a similar project completed in the Courthouse.

Paulson said if you were basing the estimates on the cost of the work done in the Courthouse, what costs have increased? Petersen said he believes the Courthouse project was bid shortly after September 11th when things were slow and contractors were hungry. We got a good deal on that job. The company who did the Courthouse project is no longer in business. Stewart said the operation is running five to six days per week around class schedules. Dwyer said he doesn't buy the September 11th explanation. He thinks it is the cost of the equipment and a bad estimate. Petersen said the cost of copper has gone up significantly.

Dwyer said this is a 50% increase in the estimate. We need to look at who is doing our estimates because this is unacceptable. Petersen said we didn't get a good estimate on the switchgear until we were fairly far along in the project design and we were unable to give drawings to the vendors. The bid estimate couldn't be developed until later in the design phase.

Esler said the higher cost might have to do with the timing of the capital projects and the budget cycle if this project was split between budget years and it was caught between design and construction. Bolte said that is

what happened. We raced forward with estimates because of the necessity to have this project done and to complete it within the capital projects budget timeline. We didn't have the opportunity to do all the research we normally do on projects. Bolte said we put an estimate together when we did the capital plan based on what the Courthouse renovation cost. By the time we went out for bids, we had specific drawings and needs and the costs were significantly different. The seven bids were clustered around this number. We think these numbers are good and competitive. The seven bids came from good contractors.

Paulson said when you miss an estimate by 50% it is prudent to find out why. Dwyer asked why are we 25% to 30% over on some bids and 50% less on others. Maybe we need to do a better job of estimating jobs or do a more thorough review of the process. When the county gets into tough times, we aren't going to have the flexibility to transfer funds like this. If we are guessing on estimates, why are we hiring consultants to the estimates anyway? This doesn't say much about the consulting firm, Harwood Engineers, who provided the county with the estimate. When we make estimates internally, we understand when the numbers are off, but when you hire someone to estimate the project, the numbers should be much closer. Haukohl said we see this in many capital projects. Maybe we need to investigate why.

Bolte said Director Cummings is tight on the capital plan budget. If Bolte pads the estimates, he does fewer projects. If he cuts them too short, he has to come to the committee to ask for additional money. They do their best to get the prices correct. He wants the costs as close as possible.

ON THE MOTION: Motion carried: 7-0.

Discuss and Consider the Following Appointments:

158-A-026: Appointment of Jack Safro to the Airport Commission

MOTION: Herro moved, Haukohl second, to approve 158-A-026: Appointment of Jack Safro to the Airport Commission.

Paulson said he is disappointed that this appointment was not filled with a neighbor but rather a heavy hitter at the airport. Dwyer said he talked to the County Executive about this issue. The County Executive is happy with the current Airport Commission. Paulson said he is not going to vote against Safro.

Motion carried: 7-0.

Future Agenda Items

- Composition of the Airport Commission
- Future Funding for County Services
- Wisconsin River Rail Payments
- Results of the CDBG Audit

158-A-027: Appointment of Dr. John Guy to the Health & Human Services Board

MOTION: Haukohl moved, Herro second, to approve 158-A-027: Appointment of Dr. John Guy to the Health & Human Services Board. **Motion carried: 7-0.**

Correspondence

Chairman Dwyer reviewed and distributed the list of correspondence. He said Supervisors should request copies of the listed items from Jicha.

Approval of Minutes

MOTION: Herro moved, Kolb second, to approve the minutes of the February 16, 2004 Executive Committees meeting as amended. **Motion carried:** 7-0.

Standing Committee Reports

Health and Human Services – Herro said the next meeting is a joint meeting of the HHS Board and Committee. The group will review the Mental Health Advisory Needs Commission and hear an update on the Criminal Justice Collaborating Council.

Public Works – Manke said the committee discussed the duties, responsibilities and composition of the Airport Commission. The committee toured Northview. He said he would be amazed if the current project will come in within budget.

Discuss and Consider the Following Appointments:

Morris was present to discuss the humane officer appointments. Morris distributed a handout containing a resume for each appointee. Morris said these positions were developed through an ordinance. The humane officer positions are filled with qualified people who are appropriately certified by the state.

MOTION: Haukohl moved, Stamsta second to approve the following appointments en masse.

158-A-028: Appointment of Jill Posanski as a Humane Officer for Waukesha County

158-A-029: Appointment of James Stadler as a Humane Officer for Waukesha County

158-A-030: Appointment of Denise Oettinger as a Human Officer for Waukesha County

Motion carried: 7-0.

Discuss and Consider Ordinance 158-O-145: Approve Orchard Ridge Recycling and Disposal Facility Expansion Agreement

MOTION: Paulson moved, Herro second, to approve Ordinance 158-O-145: Approve Orchard Ridge Recycling and Disposal Facility Expansion Agreement.

Shaver distributed and reviewed a PowerPoint presentation titled: the Orchard Ridge Landfill, Proposed Southern Expansion Local Agreement. He said this ordinance approves the negotiated agreement between the Orchard Ridge Landfill Expansion Local Siting Committee and Waste Management of Wisconsin, Inc. The agreement requires Waste Management of Wisconsin, Inc. to make monthly direct landfill expansion fee payments to the Village of Menomonee Falls and Waukesha County and specifies that these fees would be shared with 95% going to the Village of Menomonee Falls and 5% to Waukesha County. The county's portion is contingent upon approval of the agreement by the county. The contract agreement also includes an annual payment of \$40,000 to the county for electronic collections and/or recycling programs. The agreement specifies that these payments will be made annually until landfill closure, conditioned upon approval of the agreement by the county board. Parks and Land Use staff indicates they will request these funds be used to provide expanded electronics recycling programming as part of their 2005 budget request.

Shaver explained that this ordinance authorizes fee revenues above the costs of solid waste and household hazardous waste program expenditures be deposited and accounted for in the Walter J. Tarmann Parkland Acquisition Fund. Parks and Land Use staff estimate the receipt of \$127,300 in 2004; \$87,300 for 11 months of landfill expansion fees and \$40,000 for recycling program payment. Waukesha County must approve the agreement to receive negotiated elements. The 2004 budget includes \$340,000 in landfill expansion fees to fund solid waste program expenditures, of which an estimated \$60,000 in Orchard Ridge landfill fee revenues are needed to meet the 2004 revenue budget amount. The remaining amount, estimated at \$67,300

of revenues received, will be deposited and accounted for in the Tarmann Fund. Shaver will come to the Board in 2005 for a more comprehensive use of the funds.

Dwyer thanked Shaver and Schmitz for their work on this project during the last two years.

ON THE MOTION: Motion carried: 7-0.

Report on NACo Legislative Conference (February 28 – March 2, 2004) in Washington D.C.

Dwyer said on Friday he attended the Member Program and Services Committee. He heard a presentation on Health Care and one on the Energy Star Courthouse Campaign. He sat in on a discussion about hot topics led by the County News. The discussion also touched on a progress report on grants, program evaluation, the County Leadership Handbook, etc. Dwyer attended a lengthy discussion on the “members only” section of the NACo Website which may be used to help increase membership. He learned that the organization is losing members. All counties that have dropped out of the organization or are delinquent in their dues have been called. The counties report they are happy with the services from NACo and have dropped out due to budgetary reasons.

Dwyer said on Saturday he attended the Membership Committee meeting where they reviewed member numbers, heard a report on membership, etc. Next Dwyer attended the RX Drug Evaluation Committee which provides benefits to members only. They will be offering a discount drug card for those in the gap between Medicare and retirement. They are currently in the process of selecting a provider. During the evening, Dwyer attended the Waterman reception. On Sunday Dwyer attended a workshop and the general session. The speakers at the general session were quite weak. On Monday the general session featured Thomas Ridge and Lamar Alexander discussing Homeland Security. Dwyer and Krahn met with Wisconsin delegates on Tuesday before returning to Wisconsin.

Krahn said he met with all ten legislators on Monday bringing several ideas including: issues related to homeland security and funding, earmarked money for squad cars that have inter-operability with mobile data compatibility, federal tax intercepts, social service block grant, etc. They were told that this is an election year so not a lot will get done this year. Dave said it was frustrating to hear these responses.

Legislative Update

Krahn said Assembly and Senate would wrap up on Thursday. Krahn distributed a hand out titled “2003 State Legislation 3.8.04.” and very briefly discussed the following bills as outlined in the handout: AB 340, AB 437, AB443, AB 495, AB 498, AB 527, AB 598, AB 606, AB 613, AB 616, AB 658, AB 661, AB 728, AB 758, AB 808, AB 858, AB 872, AB 901, AB922, AB923, SB 12, SB 71, SB 119, SB 351, SB 477, SB 518, SB 522.

Krahn said AJR 17 is ready for floor action in the Assembly. This bill provides that a two-thirds vote is required to pass any law that provides a net increase in revenues from state sales taxes, income taxes and franchise taxes. AJR 55 is TABOR. This bill is being taken up behind closed doors. Steve Walters of the Milwaukee Journal Sentinel tried to get into a meeting to listen and wasn’t allowed. Krahn doesn’t know what’s going on with this issue and the Madison reporters aren’t pushing it. There is a lot of encouragement from the counties to be available at decision-making time.

Krahn said AB 417 is the retainage bill. We lost on this one. We tried to get it amended on the assembly side but later found out the amendment didn’t do what it was supposed to do. It made things worse.

Standing Committee Reports

Finance – Haukohl said the Finance Committee and the Health and Human Services Board both discussed the issue of the Health & Human Services automated systems capital project. There are a lot of issues and problems hindering the speedy completion of the project. Haukohl said the Health and Human Services Committee should keep an eye on this project regularly. Stamsta (who is a member of the HHS Board) said there maybe a shortfall in mental health funding because the county hasn't been able to bill electronically. Herro said they are receiving very little funds. Paulson said the Information Management Panel reviewed this issue on March 5. Paulson said he specifically asked what resources could be provided to Information Systems to get this project done. Staff from Information Systems said no amount of resources in the world would help them finish any faster than the target date.

Motion to Adjourn

MOTION: Herro moved, Haukohl second, to adjourn the meeting at 12:02 p.m. **Motion carried:** 7-0.

Respectfully submitted,

Duane E. Paulson
Secretary